

Account No. 27571116
Note No. 25520

Prepared By and Return to:
GLANKLER BROWN, PLLC
6000 Poplar Ave., Suite 100
Memphis, Tennessee 38119
(901) 685-1322

SECTION INDEXING:
SW¼ of Section 27, Township 1
South, Range 6 West and part of
Seminary 1-Lot Subdivision
Plat Book 59, Page 17, DeSoto
County, Mississippi

ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT OF LEASES AND RENTS, made as of the 17th day of November, 2006, by VINEYARD APARTMENTS I LLC, a Mississippi limited liability company, whose address is 7570 Old Canton Road, Suite 100, Madison, Mississippi 39110 (hereinafter called "Assignor") to TRUSTMARK NATIONAL BANK whose address is P.O. Box 22749, Jackson, Mississippi 39225-2749 (hereinafter called "Assignee");

WITNESSETH:

WHEREAS, Assignor has executed and delivered to Assignee a Master Promissory Note of Assignor (hereinafter, together with all amendments thereto, and modifications, renewals and extensions thereof, called the "Note") bearing even date herewith and being in the principal amount of ELEVEN MILLION TWO HUNDRED THOUSAND and NO/100 DOLLARS (\$11,200,000.00); and

WHEREAS, as security for the Note, Assignor has executed and delivered to Assignee a Construction Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing (hereinafter, together with all amendments thereto and modifications thereof, called the "Mortgage") bearing even date herewith, and the Mortgage encumbers the interest of the Assignor in certain real estate and the buildings, improvements and other property more particularly described in the Mortgage (all of such real estate and property being hereinafter referred to as the "Mortgaged Property") and the Mortgaged Property is all located in the County of DeSoto, State of Mississippi, and more particularly described on Exhibit A attached hereto and made a part hereof; and

WHEREAS, as further security for the Note, Assignee has required that Assignor assign to Assignee all of Assignor's right, title and interest in, to and under all leases and agreements for the use or occupancy of the Mortgaged Property and the rents, earnings, issues, income and profits arising from such leases and agreements and the Mortgaged Property, as any and all of the same may be now or hereafter existing, and Assignor desires and intends by this instrument to assign to Assignee all of Assignor's right, title and interest in, to and under all of such leases and agreements and the rents, earnings, issues, income and profits arising therefrom and from the Mortgaged Property;

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NOW, THEREFORE, in order to secure the payment of the principal of, and interest on, the Note and to secure the performance and observance by Assignor of every covenant and condition contained herein, in the Note and in the Mortgage and in consideration of the agreement of Assignee to loan to Assignor the principal sum evidenced by the Note, Assignor does hereby sell, assign, transfer, convey and set over unto Assignee, its successors and assigns, all of the right, title and interest of Assignor in, to and under (i) any and all leases or agreements for the use or occupancy of the whole or any part of the Mortgaged Property, whether such leases and agreements are now or at any time hereafter existing (such Leases and agreements being hereinafter collectively called "Leases" or singularly a "Lease"), together with all amendments and supplements to and renewals and extensions of the Lease at any time made, and (ii) all rents, earnings, issues, income and profits arising from the Mortgaged Property and/or from said Leases and all other sums due or to become due under and pursuant thereto, and (iii) any and all guarantees under any of said Leases, and (iv) any and all proceeds payable under any policy of insurance covering loss of rents for any cause, and (v) any and all rights, powers, privileges, options and other benefits of Assignor as lessor under the Leases, including, but not by way of limitation:

(1) The immediate and continuing right to receive and collect all rents, income, revenues, issues, profits, condemnation awards, moneys and security payable or receivable under the Leases or pursuant to any of the provisions thereof whether as rent or otherwise;

(2) The right to pursue and collect any claim in bankruptcy proceedings of any tenant;

(3) The right to accept or reject any offer made by a tenant pursuant to its Lease to purchase the Mortgaged Property or any part thereof and any other property subject to the Lease as therein provided and to perform all other necessary or appropriate acts with respect to such purchases as agent and attorney-in-fact for Assignor;

(4) The right to make all waivers and agreements, to give and receive all notices, consents and releases, and to take such action upon the happening of a default under any Lease as Assignor might have taken, including the right to commence, conduct and consummate proceedings at law or in equity as shall be permitted under any provision of any Lease or by law;

(5) To do any and all other things whatsoever which the Assignor is or may become entitled to do under or by virtue of the Leases or any of them;

ALL OF THE ABOVE BEING SUBJECT, however, to the right and license hereinafter granted by Assignee to Assignor and to the occurrence and continuance of an Event of Default, as hereinafter defined.

This Assignment is made and given as security for, and shall remain in full force and effect until (i) the payment in full of all principal and interest on the Note, and (ii) the payment and performance and observance by Assignor of all of Assignor's duties, obligations and indebtedness

under this Assignment and under the Mortgage.

Assignor represents and warrants to Assignee that:

- (a) Assignor has good right and authority to make this Assignment;
- (b) Assignor has not heretofore alienated, assigned, pledged or otherwise disposed of or encumbered any Leases, or any of the sums due or to become due thereunder or otherwise assigned hereunder except pursuant to the terms of the Mortgage;
- (c) Assignor has not accepted, anticipated or collected rent or any other payments due or to become due under any existing Lease for any period subsequent to the month in which such rent or other payment has become due and payable;
- (d) Assignor has not executed or granted any amendment or modification of any existing Lease, either orally or in writing, except as has been disclosed in writing to Assignee;
- (e) There is no default under any Lease now existing and no event has occurred and is continuing which, with the lapse of time or the giving of notice or both, would constitute an event of default under any Lease.

Assignor hereby covenants and agrees:

- 1. Promptly to observe, perform and discharge the obligations and conditions of this Assignment and any and all Leases and also the Note and the Mortgage.
- 2. To enforce the performance of each and every obligation, term, covenant, condition and agreement to be performed by any tenant pursuant to the Leases.
- 3. To appear in and defend any action or proceeding arising under or in any manner connected with the Leases, or the obligations, duties or liabilities of Assignor and any tenant thereunder and upon request by Assignee, to do so in the name and behalf of Assignee, but at the expense of Assignor.

Assignor also covenants and agrees that it will not, without in each instance obtaining the prior written consent of Assignee:

- 1. Incur any indebtedness for borrowed money or otherwise to any tenant or guarantor of any Lease if such indebtedness may under any circumstances be availed of by such tenant or guarantor as an offset against the rent or other payments due thereunder;
- 2. Enter into any Lease, the form of which has not been previously approved by Assignee, which approval shall not be unreasonably withheld;
- 3. Cancel any Lease nor accept a surrender thereof;

4. Reduce the rent payable under any Lease or accept payment of any installment of rent more than one month in advance of the due date thereof except for security deposits;

5. Change, amend, alter or modify any Lease or any of the terms or provisions thereof, nor grant any concession in connection therewith except in the ordinary course of business;

6. Consent to the release of the obligations of a tenant or guarantor under any Lease;

7. Assign, pledge, encumber or otherwise transfer any Lease or Assignor's right thereunder except to the Assignee;

Any of the above acts, if done without the written consent of Assignee, shall be, at the option of Assignee, without any force or effect as against Assignee.

Assignor also covenants and agrees that Assignor will, upon the request of Assignee, execute and deliver to Assignee such further instruments and do and perform such other acts and things as Assignee may deem necessary or appropriate to make this Assignment and the various covenants of Assignor herein contained effective and to more effectively vest in and secure to Assignee the sums due or hereafter to become due under the Leases. This covenant and agreement shall include, without limitation, the execution of such additional assignments as shall be deemed necessary by Assignee to effectively vest in and secure to Assignee all rents, income and profits from any and all Leases. Assignor further agrees that it will, from time to time, upon demand therefor, deliver to Assignee certified copies of each and every Lease then affecting all or any portion of the Mortgaged Property.

Assignor further covenants and agrees that in the event any warranty or representation at any time made herein or in connection herewith shall be false, misleading or materially inaccurate or if Assignor shall default in the observance or performance of any obligation, term, covenant or condition hereof, and such default remains uncured or uncorrected for thirty (30) days after Assignee provides written notice to Assignor of such default; provided, however, if such default is not susceptible to cure within thirty (30) days, the Assignor shall have an additional period of sixty (60) days within which to cure such default, provided Assignor commences such cure promptly upon receipt of notice and thereafter diligently pursues same; then, in each instance, at the option of Assignee, the same shall constitute and be deemed to be an "Event of Default" hereunder and under the Note and the Mortgage thereby entitling Assignee to declare all sums secured thereby and hereby immediately due and payable and further entitling Assignee to exercise any and all rights and remedies provided thereunder or hereunder as well as such remedies as may be available at law or in equity.

Assignor hereby consents to and irrevocably authorizes and directs the tenants under the Leases and any successor to the interest of said tenants, upon demand and notice from Assignee of Assignee's right to receive the rents and other amounts under such Leases, to pay to Assignee the rents and other amounts due or to become due under the Leases, and said tenants shall have the right to rely upon such demand and notice from Assignee and shall pay such rents and other amounts to Assignee without any obligation or right to determine the actual existence of any default or event

claimed by Assignee as the basis for Assignee's right to receive such rents and other amounts, notwithstanding any notice from or claim of Assignor to the contrary. Assignor shall have no right or claim against any tenant for any such rents and other amounts so paid by a tenant to Assignee.

Notwithstanding the foregoing provisions which shall be construed as making and establishing a present and absolute transfer and assignment of the Leases and the rents, earnings, issues, income and profits arising therefrom, so long as no Event of Default shall exist under the Note, this Assignment or the Mortgage, Assignor shall have the right and license to occupy the Mortgaged Property as landlord or otherwise and to collect, use, and enjoy the rents, issues and profits and other sums payable under and by virtue of any Lease and assigned hereby, but, as to such rents, issues and profits and other sums, only as the same become due under the provisions of such Lease, and to enforce the covenants of the Leases.

Upon the occurrence and continuance of an Event of Default hereunder or under the Note or Mortgage, Assignee, at its option, shall have the complete right, power and authority:

(a) To terminate the right and license granted to Assignor in the paragraph immediately preceding and thereafter, without taking possession, to demand, collect and receive and sue for the rents and other sums payable under the Leases and, after deducting all necessary and proper costs and expenses (including reasonable attorneys' fees) of collection as determined by Assignee, to apply the net proceeds thereof upon any indebtedness secured hereby;

(b) To declare all sums secured hereby immediately due and payable, and, at its option, to exercise all of the rights and remedies contained herein, in the Note and in the Mortgage;

(c) Without regard to the adequacy of the security, with or without process of law, personally or by agent or attorney, or under the Mortgage, or by a receiver to be appointed by court, then and thereafter to enter upon, take and maintain possession of and operate the Mortgaged Property, or any part thereof, together with all documents, books, records, papers, and accounts relating thereto and hold, operate, manage and control the Mortgaged Property, or any part thereof, as fully and to the same extent as Assignor could do if in possession and in such event, without limitation and at the expense of Assignor, from time to time, cause to be made all necessary or proper repairs, renewals, replacements, useful alterations, additions, betterments and improvements to the Mortgaged Property, or any part thereof, as Assignee deems judicious, and pay taxes, assessments and proper charges on the Mortgaged Property, or any part thereof, and insure and reinsure the same, and lease the Mortgaged Property, or any part thereof, for such times and on such terms as Assignee deems desirable, including leases for terms expiring beyond the maturity of the indebtedness secured by the Mortgage, and cancel any lease or sublease for any cause or on any ground which would entitle Assignor to cancel the same.

Should Assignee exercise the rights granted herein as specified upon the occurrence and continuance of an Event of Default hereunder or under the Note or Mortgage, thereafter payment of all proper charges and expenses, including the just and reasonable compensation for the services of Assignee, its attorneys and agents in connection with the operation, management and control of the Mortgaged Property and the conduct of the business thereof, and such other actual out-of-pocket

expenses of Assignee on account of any matter or thing done in good faith in pursuance of the rights and powers of Assignee hereunder shall be deemed to be secured by this Assignment. Assignee may, at its option, credit the net amount of income which Assignee may receive by virtue of this Assignment and from the Mortgaged Property to any and all amounts due or owing to Assignee under the terms and provisions of the Note, this Assignment and the Mortgage. The balance of such net income shall be released to or upon the order of Assignor. The manner of the application of such net income and the item which shall be credited shall be within the sole discretion of Assignee.

The acceptance by Assignee of this Assignment, with all of the rights, power, privileges and authority so created, shall not, prior to entry upon and taking possession of the Mortgaged Property by Assignee, be deemed or construed to constitute Assignee a mortgagee in possession nor thereafter or in any event to impose any obligation whatsoever upon Assignee to appear in or defend any action or proceeding relating to the Leases or the Mortgaged Property, or to take any action hereunder, or to expend any money or incur any expenses, or perform or discharge any obligation, duty or liability under the Leases, or to assume any obligation or responsibility for any security deposits or other deposits delivered to Assignor by any tenant and not assigned and delivered to Assignee or render Assignee liable in any way for any injury or damage to person or property sustained by any person, firm or corporation in or about the Mortgaged Property except arising out of the gross negligence or willful misconduct of Assignee.

Assignor agrees that neither the collection of rents and the application thereof as provided for herein or the entry upon and taking of possession of the Mortgaged Property, or any part thereof, by Assignee shall cure or waive any default or waive, modify or affect any notice of default under the Note or the Mortgage, or invalidate any act done pursuant to such notice, and the enforcement of such right or remedy by Assignee, once exercised, shall continue for so long as Assignee shall elect. If Assignee shall thereafter elect to discontinue the exercise of any such right or remedy, the same or any other right or remedy hereunder may be reasserted at any time and from time to time upon any subsequent default.

The rights and remedies of Assignee hereunder are cumulative and not in lieu of, but are in addition to, any rights or remedies which Assignee shall have under the Note, the Mortgage or at law or in equity, and said rights and remedies may be exercised by Assignee either prior to, simultaneously with, or subsequent to, any action taken hereunder. Said rights and remedies of Assignee may be exercised from time to time and as often as such exercise is deemed expedient by Assignee in its absolute discretion, and the failure of Assignee to avail itself of any of the terms, provisions and conditions of this Assignment or any rights granted herein for any period of time, at any time or times, shall not be construed or deemed to be a waiver of any rights under the terms hereof.

The right of Assignee to collect and receive the rents assigned hereunder or to take possession of the Mortgaged Property, or to exercise any of the rights or powers herein granted to Assignee shall, to the extent not prohibited by law, also extend to the period from and after the filing of any suit to foreclose the lien of the Mortgage, including any period allowed by law for the redemption of the Mortgaged Property after any foreclosure sale.

Assignor agrees to indemnify and hold Assignee harmless of and from and against any and all liability, loss, damage or expense, which Assignee may or might incur under or by reason of this Assignment, and of and from any and all claims and demands whatsoever which may be asserted against Assignee by reason of any alleged obligation or undertaking on the part of Assignee to perform or discharge any of the terms, covenants or agreements contained in the Leases except for claims or demands arising out of any action of Assignee determined by a court of competent jurisdiction to be gross negligence or willful misconduct. Should Assignee incur any such liability, loss or damage under or by reason of this Assignment, or in the defense against any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, together with interest thereon at the highest lawful rate, shall be secured by this Assignment and by the Mortgage, and Assignor shall reimburse Assignee therefor immediately upon demand, and upon failure of Assignor so to do, Assignee may declare all sums secured hereby immediately due and payable.

All notices, demands or documents of any kind which Assignee may be required or may desire to serve upon Assignor hereunder shall be sufficiently served by delivering the same to Assignor personally or by depositing a copy in United States mail, postage prepaid, addressed to Assignor at the address of Assignor set forth above, or at such other address as Assignor may from time to time designate in writing.

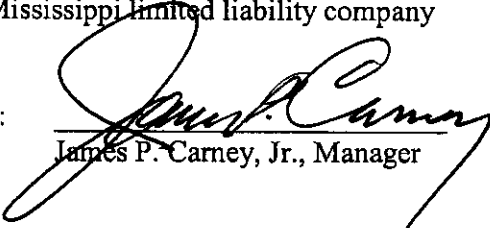
This Assignment shall be governed by the laws of the State of Mississippi.

This Assignment shall be assignable by Assignee and all representations, warranties, obligations, covenants, powers and rights herein contained shall be binding upon, and inure to the benefit of, Assignor and Assignee and their respective successors and assigns.

IN WITNESS WHEREOF, Assignor has executed these presents as of the day and year first above written.

VINEYARD APARTMENTS I LLC,
a Mississippi limited liability company

By:


James P. Carney, Jr., Manager

STATE OF Mississippi
COUNTY OF Hinds

This day personally appeared before me, the undersigned authority in and for the State and County aforesaid, JAMES P. CARNEY, JR., Manager of VINEYARD APARTMENTS I LLC, the above named Assignor, a Mississippi limited liability company, who acknowledged that for and on its behalf, he signed, sealed and delivered the foregoing Assignment of Leases and Rents on the day and year therein mentioned as its act and deed, being first duly authorized so to do.

Given under my hand and official seal of office, this the 21st day of November, 2006.

Shirley M. Cook
Notary Public

My Commission Expires:
March 18, 2008

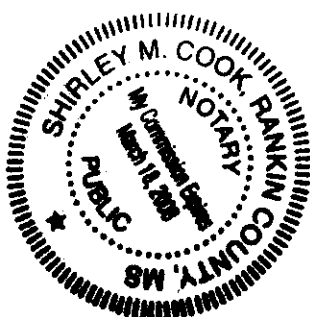


EXHIBIT A
SUBJECT PROPERTY

PARCEL 1

Legal description of 25.45, more or less, acres of land being located in part of the Northeast quarter and part of the Southeast Quarter and part of the Southwest Quarter of the Southwest Quarter of Section 27, Township 1 South, Range 6 West, City of Olive Branch, DeSoto County, Mississippi.

Commencing at the Southeast corner of the Southwest Quarter of Section 27, Township 1 South, Range 6 West; thence North 1703.3 feet to a point; thence West 132.98 feet to a iron pin (found) said pin being the Point of Beginning; thence South 04 degrees 27 minutes 54 seconds East 116.54 feet to a iron pin (found); thence South 85 degrees 32 minutes 09 seconds West 329.84 feet to a iron pin (found); thence South 04 degrees 29 minutes 07 seconds East 259.69 feet to a iron pin (found); thence South 04 degrees 31 minutes 08 seconds East 200.25 feet to a iron pin (found); thence South 04 degrees 30 minutes 00 seconds East 351.54 feet to a iron pin (found); thence South 05 degrees 03 minutes 43 seconds East 493.52 feet to a iron pin (found); thence South 82 degrees 32 minutes 33 seconds West 162.93 feet to a iron pin (found); thence South 05 degrees 20 minutes 19 seconds West 100.71 feet to a iron pin (found); thence North 85 degrees 58 minutes 57 seconds East passing through a iron pin (set) 5 feet West 82.37 feet to a point; thence South 07 degrees 17 minutes 27 seconds East passing through a iron pin (set) 5 feet South 147.96 feet to a iron pin (found); thence South 85 degrees 40 minutes 01 seconds West 120.54 feet to a chisel mark (found); thence North 18 degrees 26 minutes 34 seconds West 151.26 feet to a point; thence North 05 degrees 56 minutes 24 seconds East 167.53 feet to a chisel mark (found); thence North 88 degrees 07 minutes 36 seconds West 209.71 feet to a iron pin (found); thence North 28 degrees 13 minutes 55 seconds West 216.78 feet to a iron pin (found); thence North 36 degrees 57 minutes 27 seconds West 192.17 feet to a iron pin (found); thence North 47 degrees 59 minutes 11 seconds West 118.55 feet to a iron pin (found); thence North 51 degrees 02 minutes 05 seconds West 71.57 feet to a iron pin (found); thence North 54 degrees 47 minutes 55 seconds West 120.02 feet to a iron pin (found); thence North 51 degrees 00 minutes 57 seconds West 215.17 feet to a iron pin (found); thence South 29 degrees 59 minutes 29 seconds West 4.04 feet to a iron pin (found); thence North 51 degrees 19 minutes 34 seconds West 105.51 feet to a iron pin (found); thence North 63 degrees 12 minutes 24 seconds West 87.32 feet to a chisel mark (set); thence North 24 degrees 56 minutes 16 seconds East 164.14 feet to a iron pin (set); thence North 89 degrees 33 minutes 18 seconds East 197.99 feet to a iron pin (set); thence North 39 degrees 51 minutes 06 seconds East 338.30 feet to a iron pin (set); thence North 04 degrees 43 minutes 03 seconds West 60.86 feet to a iron pin (set); thence North 85 degrees 31 minutes 19 seconds East 217.37 feet to a iron pin (set); thence North 00 degrees 44 minutes 39 seconds West 145.37 feet to a iron pin (set); thence North 87 degrees 33 minutes 43 seconds East 387.57 feet to a sewer manhole; thence South 85 degrees 28 minutes 11 seconds East passing through a iron pin (found) 2 feet West 352.42 feet to the Point of Beginning containing 25.45, more or less, acres of land.

Parcel 2

Legal description of 0.98, more or less, acres of land being located in the Southwest Quarter of the Southwest Quarter of Section 27, Township 1 South, Range 6 West, Olive Branch, DeSoto County, Mississippi.

Begin at a point said point being South 54 degrees 14 minutes 53 seconds East 100.51 feet from a Northwest corner of the Seminary 1-Lot Subdivision (Plat Book 59, Page 17); thence South 38 degrees 26 minutes 21 seconds West 410.42 feet to a point; thence South 60 degrees 44 minutes 22 seconds East 105 feet to a iron pin (found); thence North 38 degrees 24 minutes 49 seconds East 415.00 feet to a iron pin (found); thence North 63 degrees 12 minutes 24 seconds West 105.64 feet to the Point of Beginning containing 0.98 more or less, acres of land.

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